



**ARIZONA STATE SENATE**  
*Fifty-Fifth Legislature, First Regular Session*

**AMENDED**  
FACT SHEET FOR H.B. 2808

appropriation; rural broadband grants

Purpose

Appropriates \$100,000,000 from American Rescue Plan Act of 2021 (ARPA) monies allocated to Arizona in FY 2022 to the Arizona Commerce Authority (ACA) to provide broadband grants.

Background

*Broadband service* is defined as providing access and transport to the internet, computer processing, information storage or protocol conversion at a rate of at least one megabit per second in either the upstream or downstream direction, as established by the Federal Communications Commission ([A.R.S. § 28-7381](#)).

The ACA promotes economic, community and workforce development and provides private sector leadership in growing and diversifying Arizona's economy through the support of statewide business expansion, retention, attraction, workforce development and job training ([A.R.S. § 41-1502](#)). The ACA received a \$3,000,000 appropriation from the state GF in FY 2020 to provide rural broadband grants ([Laws 2019, Ch. 263](#)).

ARPA established various emergency relief programs and the State and Local Coronavirus Fiscal Recovery Funds to address the continued impact of the Coronavirus Disease 2019 on the economy, public health, states and local governments. ARPA monies are available until December 31, 2024, and may be used to make necessary investments in water, sewer or broadband. The Joint Legislative Budget Committee estimates that Arizona's total ARPA allocation for both the state and local governments is \$7,600,000,000, \$4,800,000,000 of which will be received by the state. ARPA monies received by the state are allocated by the Governor ([P.L. 117-2, 117th Congress, 2021; JLBC](#)).

H.B. 2808 appropriates \$100,000,000 from monies allocated from ARPA to Arizona in FY 2022 to the ACA.

Provisions

1. Appropriates \$100,000,000 in onetime funding from ARPA monies in FY 2022 to the ACA to provide broadband grants.
2. Requires the ACA to allocate:
  - a) \$75,000,000 for rural broadband grants; and
  - b) \$25,000,000 for broadband grants to cities and towns with a population of 150,000 persons or less.

3. Requires the ACA, when prioritizing broadband grant awards to cities and towns with a population of 150,000 persons or less, to consider:
  - a) the award's potential to stimulate economic development and growth;
  - b) the current level of broadband or high-speed internet service access in the city or town; and
  - c) the degree to which the award would improve access to broadband or high-speed internet in the area.
4. Exempts the appropriation from lapsing.
5. Becomes effective on the general effective date.

Amendments Adopted by Committee

1. Appropriates \$100,000,000 in FY 2022 from ARPA monies to the ACA, rather than \$10,000,000 from the state General Fund.
2. Requires the ACA to allocate \$75,000,000 for rural broadband grants and \$25,000,000 for broadband grants to cities and towns with a population of 150,000 persons or less.
3. Requires the ACA, when prioritizing broadband grant awards to cities and towns with a population of 150,000 persons or less, to consider:
  - a) the award's potential to stimulate economic development and growth;
  - b) the current level of broadband or high-speed internet service access in the city or town; and
  - c) the degree to which the award would improve access to broadband or high-speed internet in the area.

House Action

APPROP      2/17/21      DP      12-1-0-0  
3<sup>rd</sup> Read      2/24/21                      56-3-1

Senate Action

APPROP      3/31/21      DPA      10-0-0

Prepared by Senate Research

April 5, 2021

LMM/DH/kja